

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Sections 4-108.6, 5-234, 6-153, 6-159, 6-210.1, 6-210.2, and
6 8-172.1 and by adding Sections 6-227, 6-228, and 9-121.18 as
7 follows:

8 (40 ILCS 5/4-108.6 new)

9 Sec. 4-108.6. Transfer of creditable service to the
10 Firemen's Annuity and Benefit Fund of Chicago.

11 (a) Until January 1, 2010, any active member of the
12 Firemen's Annuity and Benefit Fund of Chicago may apply for
13 transfer of up to 10 years of creditable service accumulated in
14 any pension fund established under this Article to the
15 Firemen's Annuity and Benefit Fund of Chicago. Such creditable
16 service shall be transferred only upon payment by such pension
17 fund to the Firemen's Annuity and Benefit Fund of Chicago of an
18 amount equal to:

19 (1) the amounts accumulated to the credit of the
20 applicant on the books of the fund on the date of transfer;

21 (2) employer contributions in an amount equal to the
22 amount determined under subparagraph (1); and

23 (3) any interest paid by the applicant in order to

1 reinstate service.

2 Participation in such pension fund as to any credits
3 transferred under this Section shall terminate on the date of
4 transfer.

5 (b) An active member of the Firemen's Annuity and Benefit
6 Fund of Chicago applying for a transfer of creditable service
7 under subsection (a) may reinstate credits and creditable
8 service terminated upon receipt of a refund by payment to the
9 Firemen's Annuity and Benefit Fund of Chicago of the amount of
10 the refund with interest thereon at the actuarially assumed
11 rate, compounded annually, from the date of the refund to the
12 date of payment.

13 (40 ILCS 5/5-234) (from Ch. 108 1/2, par. 5-234)

14 Sec. 5-234. Transfer of credits.

15 (a) Any police officer who has at least 10 years of
16 creditable service in the Fund may transfer to this Fund
17 credits and creditable service accumulated under any other
18 pension fund or retirement system established under Article 8
19 or 12 of this Code, by making application and paying to the
20 Fund before January 1, 1990 the amount by which the employee
21 contributions that would have been required if he had
22 participated in this Fund during the period for which credit is
23 being transferred, plus interest, exceeds the amount actually
24 transferred from such other fund or system to this Fund under
25 item (1) of Section 8-226.5 or item (1) of Section 12-127.5.

1 (b) Any police officer who has at least 10 years of
2 creditable service in the Fund may transfer to this Fund up to
3 48 months of creditable service accumulated under Article 9 of
4 this Code as a correctional officer with the county department
5 of corrections prior to January 1, 1994, by making application
6 to the Fund within 6 months after the effective date of this
7 amendatory Act of the 96th General Assembly and by paying to
8 the Fund an amount to be determined by the Board, equal to (i)
9 the difference between the amount of employee and employer
10 contributions transferred to the Fund under Section 9-121.17
11 and the amounts that would have been contributed had such
12 contributions been made at the rates applicable to members of
13 this Fund, plus (ii) interest thereon at the actuarially
14 assumed rate for each year, compounded annually, from the date
15 of service to the date of payment.

16 (Source: P.A. 86-272.)

17 (40 ILCS 5/6-153) (from Ch. 108 1/2, par. 6-153)

18 Sec. 6-153. Proof of duty, occupational disease, or
19 ordinary disability shall be furnished to the Board by at least
20 one licensed and practicing physician appointed by the Board.
21 In cases where the Board requires the applicant to obtain a
22 second opinion, the applicant may select a physician from a
23 list of qualified licensed and practicing physicians which
24 shall be established and maintained by the board. The Board may
25 require other evidence of disability. A disabled fireman who is

1 receiving a duty, occupational disease, or ordinary disability
2 benefit shall be examined at least once a year or such longer
3 period as determined by the Board, by one or more licensed and
4 practicing physicians appointed by the board; however such
5 ~~annual~~ examination may be waived by the Board if the appointed
6 physician certifies in writing to the Board that the disability
7 of the fireman is of such a nature as to render him permanently
8 disabled and unable ever to return to service.

9 When the disability ceases, the Board shall discontinue
10 payment of the benefit and the fireman shall be returned to
11 service in his proper rank or grade.

12 (Source: P.A. 86-273.)

13 (40 ILCS 5/6-159) (from Ch. 108 1/2, par. 6-159)

14 Sec. 6-159. Refund - Re-entry into service - Repayment of
15 refund. A fireman who receives a refund, and who subsequently
16 re-enters the service, shall not thereafter receive, nor shall
17 his widow or parent or parents receive, any annuity, benefit or
18 pension under this Article unless he or his widow, or parent or
19 parents, repays the refund within 2 years after the date of
20 re-entry into service or by January 1, 2011 ~~2000~~, whichever is
21 later, with interest at the actuarially assumed rate ~~of 4% per~~
22 ~~annum~~, compounded annually, from the date the refund was
23 received to the date such amount is repaid. The change made in
24 this Section by this amendatory Act of 1995 applies without
25 regard to whether the fireman was in service on or after the

1 effective date of this amendatory Act of 1995.

2 A fireman who has failed to repay any refund due to the
3 Fund under this Article after re-entering service shall be
4 treated as a new employee and shall only receive service credit
5 from the date that he has re-entered service as a new employee.

6 (Source: P.A. 89-136, eff. 7-14-95.)

7 (40 ILCS 5/6-210.1) (from Ch. 108 1/2, par. 6-210.1)

8 Sec. 6-210.1. Credit for former employment with the fire
9 department.

10 (a) Any fireman who (1) accumulated service credit in the
11 Article 8 fund for service as an employee of the Chicago Fire
12 Department and (2) has terminated that Article 8 service credit
13 and received a refund of contributions therefor, may establish
14 service credit in this Fund for all or any part of that period
15 of service under the Article 8 fund by making written
16 application to the Board by January 1, 2010 ~~2005~~ and paying to
17 this Fund (i) employee contributions based upon the actual
18 salary received and the rates in effect for members of this
19 Fund at the time of such service, plus (ii) the difference
20 between the amount of employer contributions transferred to the
21 Fund under Section 8-172.1 and the amounts equal to the
22 employer's normal cost of contributions had such contributions
23 been made at the rates in effect for members of this Fund at
24 the time of such service, plus (iii) interest thereon
25 calculated as follows:

1 (1) For applications received by the Board before July
2 14, 1995, interest shall be calculated on the amount of
3 employee contributions determined under item (i) above, at
4 the rate of 4% per annum, compounded annually, from the
5 date of termination of such service to the date of payment.

6 (2) For applications received by the Board on or after
7 July 14, 1995 but before the effective date of this
8 amendatory Act of the 96th General Assembly, interest shall
9 be calculated on the amount of employee contributions
10 determined under item (i) above, at the rate of 4% per
11 annum, compounded annually, from the first date of the
12 period for which credit is being established under this
13 subsection (a) to the date of payment.

14 (3) For applications received by the Board on or after
15 the effective date of this amendatory Act of the 96th
16 General Assembly, interest shall be calculated on the
17 amount of contributions determined under items (i) and (ii)
18 of this subsection (a), at the actuarially assumed rate for
19 each year, compounded annually, from the first date of the
20 period for which credit is being established under this
21 subsection (a) to the date of payment.

22 A fireman who (1) retired on or after January 16, 2004 and
23 on or before the effective date of this amendatory Act of the
24 93rd General Assembly and (2) files an application to establish
25 service credit under this subsection (a) before January 1,
26 2005, shall have his or her pension recalculated prospectively

1 to include the service credit established under this subsection
2 (a).

3 (b) A fireman who, at any time during the period 1970
4 through 1983, was an employee of the Chicago Fire Department
5 but did not participate in any pension fund subject to this
6 Code with respect to that employment may establish service
7 credit in this Fund for all or any part of that employment by
8 making written application to the Board by January 1, 2010 ~~2005~~
9 and paying to this Fund (i) employee contributions based upon
10 the actual salary received and the rates in effect for members
11 of this Fund at the time of that employment, plus (ii) the
12 amounts equal to the employer's normal cost of contributions
13 had such contributions been made at the rates in effect for
14 members of this Fund at the time of that employment, plus (iii)
15 interest thereon calculated at the actuarially assumed rate ~~of~~
16 ~~4% per annum~~, compounded annually, from the first date of the
17 employment for which credit is being established under this
18 subsection (b) to the date of payment.

19 (c) (Blank). ~~A fireman may pay the contributions required~~
20 ~~for service credit under this Section established on or after~~
21 ~~July 14, 1995 in the form of payroll deductions, in accordance~~
22 ~~with such procedures and limitations as may be established by~~
23 ~~Board rule and any applicable rules or ordinances of the~~
24 ~~employer.~~

25 (d) Employer contributions shall be transferred as
26 provided in Sections 6-210.2 and 8-172.1. The employer shall

1 not be responsible for making any additional employer
2 contributions for any credit established under this Section.

3 (Source: P.A. 93-654, eff. 1-16-04; 93-917, eff. 8-12-04.)

4 (40 ILCS 5/6-210.2)

5 Sec. 6-210.2. City contributions for paramedics.
6 Municipality credits computed and credited under Article 8 for
7 all firemen who (1) accumulated service credit in the Article 8
8 fund for service as a paramedic, (2) have terminated that
9 Article 8 service credit and received a refund of
10 contributions, and (3) are participants in this Article 6 fund
11 on the effective date of this amendatory Act of the 96th ~~93rd~~
12 General Assembly shall be transferred by the Article 8 fund to
13 this Fund, together with interest at the actuarially assumed
14 rate of 11% per annum, compounded annually, to the date of the
15 transfer, as provided in Section 8-172.1 of this Code. These
16 city contributions shall be credited to the individual fireman
17 only if he or she pays for prior service as a paramedic in full
18 to this Fund.

19 (Source: P.A. 93-654, eff. 1-16-04.)

20 (40 ILCS 5/6-227 new)

21 Sec. 6-227. Transfer of creditable service from Article 4.
22 Until January 1, 2010, any active member of the Firemen's
23 Annuity and Benefit Fund of Chicago may transfer to the Fund up
24 to a total of 10 years of creditable service accumulated under

1 Article 4 of this Code upon payment to the Fund within 5 years
2 after the date of application of an amount equal to the
3 difference between the amount of employee and employer
4 contributions transferred to the Fund under Section 4-108.6 and
5 the amounts determined by the Fund in accordance with this
6 Section, plus interest on that difference at the actuarially
7 assumed rate, compounded annually, from the date of service to
8 the date of payment.

9 The Fund must determine the fireman's payment required to
10 establish creditable service under this Section by taking into
11 account the appropriate actuarial assumptions, including
12 without limitation the fireman's service, age, and salary
13 history; the level of funding of the Fund; and any other
14 factors that the Fund determines to be relevant. For this
15 purpose, the fireman's required payment should result in no
16 significant increase to the Fund's unfunded actuarial accrued
17 liability determined as of the most recent actuarial valuation,
18 based on the same assumptions and methods used to develop and
19 report the Fund's actuarial accrued liability and actuarial
20 value of assets under Statement No. 25 of Governmental
21 Accounting Standards Board or any subsequent applicable
22 Statement.

23 (40 ILCS 5/6-228 new)

24 Sec. 6-228. Action by Fund against third party;
25 subrogation. In those cases where the injury or death for which

1 a disability or death benefit is payable under this Article was
2 caused under circumstances creating a legal liability on the
3 part of some person or entity (hereinafter "third party") to
4 pay damages to the fireman, legal proceedings may be taken
5 against such third party to recover damages notwithstanding the
6 Fund's payment of or liability to pay disability or death
7 benefits under this Article. In such case, however, if the
8 action against such third party is brought by the injured
9 fireman or his personal representative and judgment is obtained
10 and paid, or settlement is made with such third party, either
11 with or without suit, from the amount received by such fireman
12 or personal representative, then there shall be paid to the
13 Fund the amount of money representing the death or disability
14 benefits paid or to be paid to the disabled fireman pursuant to
15 the provisions of this Article. In all circumstances where the
16 action against a third party is brought by the disabled fireman
17 or his personal representative, the Fund shall have a claim or
18 lien upon any recovery, by judgment or settlement, out of which
19 the disabled fireman or his personal representative might be
20 compensated from such third party. The Fund may satisfy or
21 enforce any such claim or lien only from that portion of a
22 recovery that has been, or can be, allocated or attributed to
23 past and future lost salary, which recovery is by judgment or
24 settlement. The Fund's claim or lien shall not be satisfied or
25 enforced from that portion of a recovery that has been, or can
26 be, allocated or attributed to medical care and treatment, pain

1 and suffering, loss of consortium, and attorney's fees and
2 costs.

3 Where action is brought by the disabled fireman or his
4 personal representative they shall forthwith notify the Fund,
5 by personal service or registered mail, of such fact and of the
6 name of the court where such suit is brought, filing proof of
7 such notice in such action. The Fund may, at any time
8 thereafter, intervene in such action upon its own motion.
9 Therefore, no release or settlement of claim for damages by
10 reason of injury to the disabled fireman, and no satisfaction
11 of judgment in such proceedings, shall be valid without the
12 written consent of the Board of Trustees authorized by this
13 Code to administer the Fund created under this Article, except
14 that such consent shall be provided expeditiously following a
15 settlement or judgment.

16 In the event the disabled fireman or his personal
17 representative has not instituted an action against a third
18 party at a time when only 3 months remain before such action
19 would thereafter be barred by law, the Fund may, in its own
20 name or in the name of the personal representative, commence a
21 proceeding against such third party seeking the recovery of all
22 damages on account of injuries caused to the fireman. From any
23 amount so recovered, the Fund shall pay to the personal
24 representative of such disabled fireman all sums collected from
25 such third party by judgment or otherwise in excess of the
26 amount of disability or death benefits paid or to be paid under

1 this Article to the disabled fireman or his personal
2 representative, and such costs, attorney's fees, and
3 reasonable expenses as may be incurred by the Fund in making
4 the collection or in enforcing such liability. The Fund's
5 recovery, shall be satisfied only from that portion of a
6 recovery that has been, or can be, allocated or attributed to
7 past and future lost salary, which recovery is by judgment or
8 settlement. The Fund's recovery shall not be satisfied from
9 that portion of the recovery that has been or can be allocated
10 or attributed to medical care and treatment, pain and
11 suffering, loss of consortium, and attorney's fees and costs.

12 Additionally, with respect to any right of subrogation
13 asserted by the Fund under this Section, the Fund, in the
14 exercise of discretion, may determine what amount from past or
15 future salary shall be appropriate under the circumstances to
16 collect from the recovery obtained on behalf of the disabled
17 fireman.

18 (40 ILCS 5/8-172.1)

19 Sec. 8-172.1. Transfer of city contributions for
20 paramedics.

21 (a) Municipality credits computed and credited under this
22 Article 8 for all persons who (1) accumulated service credit in
23 this Article 8 fund for service as a paramedic, (2) have
24 terminated that Article 8 service credit and received a refund
25 of contributions, and (3) are participants in the Article 6

1 fund on the effective date of this amendatory Act of the 96th
2 ~~93rd~~ General Assembly shall be transferred by this Article 8
3 fund to the Article 6 fund together with interest at the
4 actuarially assumed rate of 11% per annum, compounded annually,
5 to the date of transfer. The city shall not be responsible for
6 making any additional employer contributions to the Fund to
7 replace the amounts transferred under this Section.

8 (b) Municipality credits computed and credited under this
9 Article 8 for all persons who (1) accumulated service credit in
10 this Article 8 fund for service as a paramedic, (2) have
11 terminated that Article 8 service credit and received a refund
12 of contributions, and (3) are not participants in the Article 6
13 fund on the effective date of this amendatory Act of the 93rd
14 General Assembly shall be used as provided in Section 8-172.

15 (Source: P.A. 93-654, eff. 1-16-04.)

16 (40 ILCS 5/9-121.18 new)

17 Sec. 9-121.18. Transfer to Article 5.

18 (a) Any active member of Article 5 of this Code may apply
19 for transfer of some or all of his creditable service as a
20 correctional officer with the county department of corrections
21 accumulated under this Article to the Article 5 Fund in
22 accordance with paragraph (b) of Section 5-234. At the time of
23 the transfer the Fund shall pay to the Article 5 Fund an amount
24 equal to:

25 (1) the amounts accumulated to the credit of the

1 applicant on the books of the Fund on the date of transfer
2 for the service to be transferred;

3 (2) the corresponding employer credits, including
4 interest, on the books of the Fund on the date of transfer;
5 and

6 (3) any interest paid by the applicant in order to
7 reinstate such service.

8 Participation in this Fund with respect to the credits
9 transferred shall terminate on the date of transfer.

10 (b) Any person applying to transfer service under this
11 Section may reinstate credit for service as a member of the
12 county department of corrections that was terminated by receipt
13 of a refund, by paying to the Fund the amount of the refund
14 with interest thereon at the actuarially assumed rate,
15 compounded annually, from the date of refund to the date of
16 payment.

17 Section 90. The State Mandates Act is amended by adding
18 Section 8.33 as follows:

19 (30 ILCS 805/8.33 new)

20 Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8
21 of this Act, no reimbursement by the State is required for the
22 implementation of any mandate created by this amendatory Act of
23 the 96th General Assembly.

24 Section 999. Effective date. This Act takes effect upon

1 becoming law.